

BEFORE THE  
POSTAL RATE COMMISSION

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POSTAL RATE COMMISSION  
OFFICE OF THE SECRETARY

POSTAL RATE AND FEE CHANGES, 2000

DOCKET NO. R2000-1

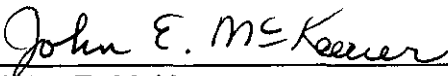
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INTERROGATORIES FROM UNITED PARCEL SERVICE  
TO MAGAZINE PUBLISHERS OF AMERICA, INC., et al.  
WITNESS RITA D. COHEN  
(UPS/MPA-T1-2 through 5)  
(June 19, 2000)

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Pursuant to the Commission's Rules of Practice, United Parcel Service hereby serves the following interrogatories directed to Magazine Publishers of America, Inc., et al. witness Rita D. Cohen: UPS/MPA-T1-2 through 5.

Respectfully submitted,

  
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Of Counsel.

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UPS/MPA-T1-2. On page 9, line 9, of your testimony, you indicate that you served as co-chair of the Periodicals Operations Review Team.

(a) List the identities of the organizations participating in the Periodical Operations Review Team and the number of team members from each listed organization.

(b) Confirm that the summaries and opinions reflected in the Periodicals Operations Review Team Report (referred to as the "Team Report") generally reflect the views of all of the Operations Review Team members.

UPS/MPA-T1-3. On page 21, lines 21-22, of your testimony, you opine that "USPS witness Bozzo, USPS-T-15, presents a *state-of-the art* analysis of the volume variability of 10 MODS cost pools" (emphasis added). Please identify the characteristics of Dr. Bozzo's study that, in your opinion, qualify it as a state-of-the art econometric study.

UPS/MPA-T1-4. On page 22, lines 8-10, of your testimony, you state that "Witness Bozzo has squarely addressed these defects [which prevented the Commission from acceptance of Dr. Bradley's econometric approach in Docket No. R97-1] in his analysis and testimony . . . ."

(a) In Docket No. R97-1, the Commission was concerned about unobserved facility-specific effects changing over time (Docket No. R97-1 Opinion, Volume 1, at 86, and Volume 2, Appendix F at 10).

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(i) Does Dr. Bozzo address this concern in the analysis he presents in USPS-T-15? If your answer is yes, explain in detail the basis of your response, and provide appropriate citations to USPS-T-15. If your answer is no, reconcile your response with your statement on page 22, lines 8-10, of your testimony, referenced above.

(b) In Docket No. R97-1, the Commission expressed concern about the validity of the proportionality assumption (see Docket No. R97-1 Opinion, Volume 2, Appendix F at 17-19).

(i) Does Dr. Bozzo address this concern in the analysis he presents in USPS-T-15? If your answer is yes, explain in detail the basis of your response, and provide appropriate citations to USPS-T-15. If your answer is no, reconcile your response with your statement on page 22, lines 8-10, of your testimony, referenced above.

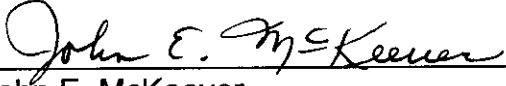
UPS/MPA-T1-5. On page 22, lines 24-25, of your testimony, you state that Dr. Bozzo has “worked with witness Degen to make sure his quantification was firmly grounded in operational realities.” In describing activities at mail processing operations, Mr. Degen describes the highly dynamic way in which mail is allocated across parallel processing operations (USPS-T-16, pages 18-20). Where, if at all, does Dr. Bozzo reflect this institutional reality in the analysis he presents in USPS-T-15? Explain in detail the basis of your response, and provide appropriate citations to USPS-T-15.

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Reconcile any contradictions of your response with your statement on page 22, lines 24-25, of your testimony, referenced above.

## CERTIFICATE OF SERVICE

I hereby certify that I have this date served the foregoing document by first class mail, postage prepaid, in accordance with Section 12 of the Commission's Rules of Practice.

  
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John E. McKeever  
Attorney for United Parcel Service

Dated: June 19, 2000  
Philadelphia, Pa.